

“Biodiversity Corridor Planning and Implementation Program”

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- I. Managing the Usumacinta Watershed for Economic Development and Environmental Sustainability**
- II. Integrated Management of the Chimalapas Watersheds, Oaxaca, Mexico**
- III. Chiapas Coastal Watersheds**
- IV. National Enabling Environment for Mexico (NEEM)**

Annual Report
From October 1st, 2003 to September 30, 2004

Presented by

To



Tuxtla Gutierrez, Chiapas. January 26, 2005.

Table of Contents

	Page
I. MANAGING THE USUMACINTA WATERSHED FOR ECONOMIC DEVELOPMENT AND ENVIRONMENTAL SUSTAINABILITY	4
1. INTRODUCTION AND OVERVIEW	4
a) <i>General Program Goal (2004-2008)</i>	5
b) <i>Objectives of the Program</i>	5
2. HIGHLIGHTS OF THE YEAR	7
3. WORK PLAN UPDATE AND STATUS	8
<i>Objective 1: A Collaborative Watershed Management Plan is developed</i>	8
<i>Objective 2: Expansion of the Agricultural Frontier into Protected Areas is Slowed</i>	17
<i>Objective 3: Incidence and Impact of Forest Fires is Reduced</i>	21
<i>Objective 4: Communities and Partner NGOs Develop Economically Viable Responsible Tourism Projects</i>	23
<i>Objective 5: Communities Implement Sustainable Natural Resource Management Projects</i>	32
<i>Objective 6: Local NGOs Develop Capacity for Watershed Monitoring</i>	36
4. ENVIRONMENTAL COMPLIANCE.....	38
5. GENDER COMPLIANCE	38
6. OTHER DONORS SUPPORTING THIS PROGRAM AND LINKS WITH GOVERNMENTAL AGENCIES.	39
II. INTEGRATED MANAGEMENT OF THE CHIMALAPAS WATERSHEDS, OAXACA, MEXICO	40
1. INTRODUCTION AND OVERVIEW	40
a) <i>Specific Objectives</i>	41
2. ACTIVITIES DONE DURING Y1 TO Y2	41
3. NEXT STEPS	41
III. CHIAPAS COASTAL WATERSHEDS	42
1. INTRODUCTION AND OVERVIEW	42
2. HIGHLIGHTS OF THE YEAR	42
3. WORK PLAN UPDATE AND STATUS	42
a) <i>Objective IR3.3 (CH 2.4): Potential of conservation coffee in the costal watersheds of El Triunfo is evaluated</i>	42
b) <i>Objective 4.2: Design and implement an evaluation program to achieve the success of the project</i>	45
4. ENVIRONMENTAL MITIGATION	47
5. GENDER	48
6. OTHER DONORS SUPPORTING THIS PROGRAM AND ANY LINKS WITH GOM AGENCIES	48
7. CONTRIBUTION OF PRINCIPAL PARTNERS TO THE HIGHLIGHTS AND ACHIEVEMENTS.	48

IV. NATIONAL ENABLING ENVIRONMENT FOR MEXICO (NEEM)	49
1. INTRODUCTION	49
<i>Main Goals</i>	49
<i>Core Working Group (CWG)</i>	49
2. ENABLING ACTIVITIES TO BE SUPPORTED UNDER THIS INITIATIVE	49
<i>Objectives of the 2004 Work Plans</i>	49
3. HIGHLIGHTS OF THE YEAR	50
<i>Watersheds supported in 2004</i>	50
4. PROGRESS BY MEETINGS OF THE CORE GROUP	50
5. ENVIRONMENTAL COMPLIANCE	51
6. GENDER COMPLIANCE	51
7. OTHER DONORS THAT SUPPORT THE PROGRAM	51
V. ATTACHMENTS	52
1. LIST OF APPENDIXES	52
2. LIST OF ANNEXES	52

I. Managing the Usumacinta Watershed for Economic Development and Environmental Sustainability

1. Introduction and overview

Usumacinta River Basin, which covers 550 km of the 950 km border with Guatemala, and includes most of the core Selva Maya region where CI has worked for 12 years. The Usumacinta basin encompasses a total surface of over 7 million hectares, split evenly between Mexico and Guatemala. The upper basin is located primarily in Guatemala, (though a few key parts are in Mexico). The basin's lower portion rests almost entirely in Mexico, meaning that Mexico ultimately suffers the cumulative effects of landscape transformation and water contamination occurring along the entire basin. To effectively manage the Usumacinta watershed outflow, both countries must work together.

The basin is one of the most important in the Northern Hemisphere. The Usumacinta River's main tributary in Mexico, the Lacantun River, is part of the Lacandon Forest's rich hydrological network, which has large lakes to the north (Lake Ocotal, Ojos Azules, Suspiro, and Lacanja) and to the west (Lake Miramar). These lakes supply water to the main rivers irrigating the central and southern portions of the region, contributing approximately 20% of the water that maintains the swamps and flood zones of the Grijalva-Usumacinta Delta, the most extensive wetlands of Tropical America.

Rainwater from the Selva Maya feeds the Centla Wetlands in Tabasco, a RAMSAR site serving thousands of migratory birds. The swamps appear to depend greatly upon nutrients supplied through the hydrological network of the upper Usumacinta basin in Guatemala and in the Lacandon Forest in Chiapas. These wetlands are important for migratory birds and as nurseries for many key fish species that the Gulf of Mexico's fisheries harvest.

The majority of threats to biodiversity in the Usumacinta watershed can be attributed to three fundamental causes. The first is an economic model that condemns 10-20% of Mexicans to live below poverty level. The poor lack access to education, health, credit, and property, and so are often forced to work the most marginal lands—many of which are in the most biodiverse areas. The combination of poverty, lack of health, and lack of education generates new problems: a demographic explosion, high mortality and malnutrition rates, and ignorance of or inability to use strategies for rational resource management. The second root cause of biodiversity loss in the Usumacinta is Mexico's weak institutional structure. Thirdly, the unregulated and often illegal cut-price sale of the region's natural resources (such as timber and oil to powerful national and international companies) is problematic. Such sales rarely take into account the long-term sustainable management of the watershed or the needs of the local population.

Deforestation and fires are caused by a variety of proximate factors, and numerous analyses have identified these factors. For example, Morales and Magaña (2001) focused on the sources of impacts in Calakmul, while CI (2001) coordinated an analysis of root causes, threats, and their effects in the Lacandona Forest. These analyses concluded that the key proximate threats to biodiversity in the area are:

- **Insufficient capacity at the local level to prevent or fight fire.**
- **Invasions have occurred in the last 8 years in the interior of the Lacandona Forest Reserves**
- **Little local capacity to implement sustainable economic development**
- **The lack of a coherent, regional management strategy**
- **There is also a lack of coherent legal action to protect natural resources**

CI and partners have identified two priority themes under which many of the threats to the Usumacinta are encompassed. We propose to use USAID funds to assist our partners from NGOs, government, and communities in addressing the two most critical issues in this watershed, namely:

- 1) *The lack of an integrated watershed management plan that can help guide land-use decision making (including fire management); and,*
- 2) *The lack of communal knowledge about tested and proven alternative economic activities that are both economically viable and environmentally sound.*

CI and our partners envision for the Usumacinta watershed by 2009 a functioning watershed management plan (coordinated with that of Guatemala), in which CI and our partners have played a critical role in: i) helping local communities demonstrate that tourism and use of non-timber forest products can be economically viable and ecologically sound; ii) slowing the expansion of the agricultural frontier into Protected Areas; and iii) developing and building local capacity to implement a watershed monitoring system. Introducing sustainable economic alternatives can make an impact on many threats. For example, if fewer communities are practicing agriculture, there will be less burning, causing less uncontrolled forest fires, and less need to move into the forest to find new land for planting.

a) General Program Goal (2004-2008)

A functional Usumacinta watershed management plan is designed and promoted through enhanced local capacity for watershed monitoring, reductions in the incidence and impact of fires and land invasions, and community-led demonstrations that tourism and use of non-timber forest products can be economically viable and ecologically sound.

b) Objectives of the Program.

The following section shows principal Year 1 Goals and general activities

Objective 1 (IR1): A Collaborative Watershed Management Plan is Developed
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During this first year the activities under this objective was focused to gather all the information needed to build a baseline for the basin, including the construction of a database (geographical and statistical) that could play the role as a first platform to exchange information and to evaluate the current situation of the basin. The preliminary design of a management plan, based on different cases around the world

of existing shared basins. At this time we planned to study and assess different options for innovative systems to incentive water conservation, in order to develop the right plan in the following years, and then finally induce its implementation and this plan will start to be considered by the governments and it is expected to activate a bilateral cooperation to this program.

Objective 2 (IR1): Expansion of the Agricultural Frontier into Protected Areas is Slowed

After carrying out an assessment of the current status of the invasions to the protected areas in Mexico and Guatemala, it is necessary to review the current situation of the negotiations mainly with the special commission led by the SRA. Indeed we establishment a collaboration with this agency in charge of implementing a plan of the federal government in order to solve the conflicts with solid solutions. During this year we participate in different meetings and about conflict resolution with staff of the SRA, PROFEPA and CONANP. In the same way we continues monitoring the status of the PA at the Lacandon region and detected new invasion in Montes Azules. Considering that new invasions are threatening some of the PAs in part of Guatemala, we stared a collaborative mechanism on detection and exchange of information between both countries. Finally, and in addition to the alternatives already used by the Mexican government to solve and prevent more invasions, CI and partners will organize a round table with the agencies to design other instruments of solutions with this purpose.

Objective 3 (IR2): Incidence and Impact of Forest Fires is Reduced

Considering the relative low cost of the diffusion of existing radio messages about good practices to prevent forest fires¹, we will re-active radio mechanisms with partners in order to disseminate such messages in the next dry season. Although, the major activity will be the evaluation of the performance of using “frijol abono” *Mucuna pruriens* legume seeds as an alternative to avoid using fire in the agricultural practices in the region. We will revise the different projects implemented with this alternative, including the projects carried out by CARE in the MAYAREMA project in Peten, Guatemala. We will assess with our partners and with the collaboration of the federal government agencies the current adoption of this alternative in comparison with the past efforts in introducing this practices in the region. Additionally, we plan to conduct a work meeting with these stakeholders in order to design innovative alternatives to prevent forest fires that could be considered as options in the following years. With this activity, we try to diversify the strategy to prevent the forest fires.

Objective 4 (IR3): Communities and Partner NGOs Develop Economically Viable Responsible Tourism Projects

The tourism business in the basin is an increasing economical activity that is moving population from the basic production level (agriculture) to services. The pressure to change forest into agriculture or pasture areas is diminished by this activity. On one hand, the long term performance of the communities based enterprises focused on tourism is essential to build capacities towards financial success and sustainability; these objectives are part of CI's Ecotourism Program at the different Hotspots; in the other hand, is crucial to start introducing good practices to protect the environment and avoid negative impacts that tourism practices are having. In the first year, the assessment of the performance of the community-based enterprises (CBE) focused on tourism will be performed through out several activities of evaluation.

¹ CI developed these messages and other materials in precedent years with the support of the PPIRA and the FMCN.

Objective 5 (IR2): Communities Implement Sustainable Natural Resource Management Projects

For Pita and Xate non-timber forest resources, the first step will include gathering of updated information (qualitative and quantitative) on the harvesting processes, methods, areas of harvesting or cultivation in the region, and a diagnostic on the CBEs focused on these resources. We also will be compiling data regarding the current market and commercial issues. Considering that the xate and the pita harvesting starts in the region in very different times, the activities are not the same. In this component we will be working with an important number of women considering that the xate plantations are protected and harvested also by women.

Objective 6 (IR3): Local NGOs Develop Capacity for Watershed Monitoring

The activities considered under this objective for the first year will allow designing technical protocols to monitor the watershed. We will also be assessing the installed capabilities for monitoring among the governmental agencies, NGOs and local universities to perform the monitoring of the basin. We will also contribute to the realization of a first course on the management of metadata (shared databases). In this sense The Natural History Institute of Chiapas is already developing techniques and standards for watersheds monitoring. We will take this into account and we expect a relevant involvement of this agency in this component.

At least for the first year of work we do not envision an active participation of the local communities in monitoring activities considering that this first year will be focused to develop standards and procedures.

In general terms, the activities listed above comprise logical first steps to gather and analyze data and information, which is crucial to develop the proposed program. A database of the Usumacinta Basin is essential to follow up the impact of this program during the next following five years. For this first year of work, the efforts focused on the management of the basin and its watersheds will be officially presented to the bilateral² governmental platforms related with the cooperation between the two countries, as well as, in the Mexican major forum for the Usumacinta Basin. Every effort for capacity building will be based on accurate and updated information, so the courses and training activities are assertive and coherent with the real needs of the community based organizations involved in the program.

2. Highlights of the Year

- The initiative “Usumacinta Basin Management Plan” was recognized by the Grijalva – Usumacinta Watershed council leader by the National Water Commission (CNA). This committee / CNA took this opportunity to begin to work in the region in a coordinated way with different key actors at Local (municipality), State and National level.
- Conservation International promoted the importance of the big threat that invasions into PAs where and still in the Lacandon Region. This promotion was made with the key government decision makers at different levels and time. After one year we can see the positive progress of some solutions to invasions.
- Within the Forestry Council, CI is the leader NGO contributing with a communications media campaign to prevent forest fires and we are recognized among actors and partners.

² Guatemala-Mexico

- Alliance establishment among CI-Secretaria de Turismo Chiapas and CONANP in order to develop sustainable tourism activities at the Lacandon Rainforest. This Year Sectur – Chiapas considered Selva Lacandona as a priority of investment mostly in infrastructure and publicity. With this alliance, CBEs from the Lacandon could be benefited to establish and develop their businesses and also received basic capacity to manage or better manage the Community Based Enterprises.
- Regarding Lacandon handcraft the highlights were the following: Development and implementation of an artisan oriented production system capable of meeting market demand. Creation of the first value added packaging for a Lacandon artisan product. Quality enhancement of clay products with the implementation of an oven for firing clay. Reduction of wood fuel use through implementation of community oven for firing clay. New design specification for Lacandon product adapted for market conditions. Initial indications of interest from new markets for Lacandon products.
- By joining efforts and shared responsibilities of institutions like CI-CNA-IHNYE-TNC-PRONATURA, etc. we could carry out actions benefiting our work, especially enforcing our capacities and exchanging our experiences (learning lessons).

3. Work Plan Update and status

In this section we are reporting the major milestones and achievements accomplished in the period. We are using the Work plan structure in order to clearly show the progress in each of the activities.

Objective 1: A Collaborative Watershed Management Plan is developed.

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage “D”, “C” or “R”	Achievements, observations on the next steps and comments
Activity 1.1 Configure a database for assessing and monitor the Usumacinta basin at a bi-national level.	1) Assess available information and update hydrological and geographical information on the Usumacinta basin.	1, 2	Inventory of geographical databases, hydrological records, metadata, etc.	F		<p>We established the hydrological database for the whole basin at a scale of 1:250,000 for the basic analysis in the Plan (Appendix 1).</p> <ul style="list-style-type: none"> • 7 geographical digital coverage were edited • 8 geographical coverage were reprocessed <p>Pronatura advanced with wetlands areas digitalization for the basin just for the Mexican part.</p> <p>One next step is to use that information in a general basic characterization of the basin for the Plan and the micro-watershed diagnostic.</p>

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	2) Update the Usumacinta Geographical Database, including integrating the data for Guatemala.	1, 2	Updated Geographical Database of the Usumacinta Basin.	F		<p>Establishment of the integrated database of the complete basin with existing information from Guatemala at a scale of 1:250,000; this base line has the key geographic digital coverage in a GIS format, and we could identify the gap information to continue the process.</p> <p>A contact with MAGA (Agriculture, cattle raising and feeding Ministry of Guatemala) , was established to sign an agreement and exchange accurate and official geographical information of the basin in the Guatemalan side</p> <p>We supported with data to the National Forest Commission (CONAFOR) on their Environmental Services Program for the Selva Lacandona (Annex 1).</p> <p>The next step is to update with official and quality information and to establish the base line of the basin.</p>
Activity 1.2 Establish a base line for the Usumacinta Watershed	1) Design a GIS method to assess the current conditions of the micro-watersheds within the basin.	2	Technical protocol.	R	That activity will be integrated as a sub-activity in a new relevant activity in Y2 plan.	<p>With the GIS drafted method, we have a general rapid assessment of the basin, but it is not enough for the Plan. It was also possible to know more tools to assess the basin and micro watersheds.</p> <p>Pronatura recognized a study area and could make field verification to validate the information about vegetation, riparian ecosystems and species habitat for the base line.</p> <p>Personnel from CI and Pronatura took the workshop: "Use of Agro environmental Simulation Models in hydrological Watersheds"; the objective was to know theory and practice targets in using simulation models for watershed evaluations.</p> <p>Next step below the watershed conceptual framework is to carry out the necessary assessment with different tools; such method will be part of the diagnostic.</p>

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	2) Preliminarily assess the forest cover and land use, population distribution, updated threats and opportunities for conservation within the Usumacinta Basin.	3	Technical report, cartographic series.	OT	It's important to mention that it is not possible still assess the threats and assess opportunities, so first we will have the knowledge and agree with other actors.	<p>We obtained the first cartographic series with a general rap assessment in forest cover, land use, biophysical characteristics, population distribution and social distribution (Appendix 2).</p> <p>The forest cover and land use are at 60% of process, since we don't have verification on areas of Guatemala. We have identified the major threats and information about that, and this information is integrated to the database.</p> <p>Next step is to complete the information about threats and regional opportunities, incorporating the opportunities analysis into the process and workshops; and also to integrate the vegetation and land use verified and validated information from Guatemala - MAGA.</p>
	3) Update the forest & land use cover within the basin using 2003 LANDSAT Images.	1, 2, 3	Classified 2003 satellite images. Technical report and vegetation and land use map.	OT		<p>We have an 80% of advanced and we expect to finish it in Q1FY5.</p> <p>The agreement with MAGA, it will be possible to obtain the land use and vegetation geographical database scale 1:50,000 an important information to update with quality information.</p>
	4) Assess biodiversity distribution based on the records of the CONABIO database (only the Mexican part).	2	Technical report. Biodiversity database for the Usumacinta Basin.	R	The parameters and method to make the assess on biodiversity distribution it's not clearly identified and CONABIO's information is not enough to make a biodiversity distribution analysis. This will be a sub-activity of the diagnostic of the basin for Y2	<p>We have ordered and classified CONABIO databases of the Usumacinta Basin. We have also Identified the gap information for a biodiversity analysis</p> <p>For a regional and useful biodiversity analysis we think it is necessary to modify the analysis considering the national red lists, IUCN red list and NOM and Management program for Protected areas lists; we will identify key species for the basin (endemism, important populations, endangered and vulnerable species, and also economic species) and apply a tool for the analysis and with GIS we will be able to integrate an assess on habitat analysis.</p>

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 1.3 Preliminary design of a Watershed Management Plan	1) Identify potential stakeholders directly involved in developing a Management Plan.	1	Annotated directory of stakeholders classified by type or role	OT		80% of advance, We worked with Pronatura to complete it, and we expect to finish this activity on 1Q of FY5. That directory will be important to identify the stakeholders involved in the development of the Plan.
	2) Compile and revise watershed management plans as case studies.	1, 2	Annotated list of papers and published works on watershed management and monitoring. Physical and digital libraries.	F		Selected information was used to understand the conceptual framework about integrated management watershed and redefine the process to develop the Plan and the project work plan (Annexed on mid term report). We could conform a digital library related to watershed management.
	3) Design a preliminary management plan through a work meeting with the key partners.	3	Preliminary management plan designed.	OT		We could establish a planning team for the project with directive and technical personnel of CI and Pronatura. The planning team had 3 work meetings to define critical route to follow up in conjunction the Management Plan (Annex 2) The planning team defined specific needs in order to guarantee the good development of the Plan, we also decided to have the support of a specialist in international watershed managements plans. We could also identified experts in watershed managements and also established contact with specialist in watershed evaluation and management to obtain the required support to address the process (Annex 3).

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Activity 1.4 Design a preliminary monitoring system for the Usumacinta Watershed	1) Organize and develop a technical Workshop.	3	Preliminary monitoring system designed.	R	All workshops are designed according to the conceptual framework and objectives of the Plan, it's important to clarify the Plan first.	We have digital documents about monitoring experiences in other places and in the region. We identified an important background about monitoring the region We could also Identified potential tools, capacities and needs for a monitoring system through the Outcomes Monitoring Assessment. We moved the workshops for the next year with the guaranty that we can have better definition in the execution of this activity
	2) Develop technical thematic protocols to monitor a variety of key parameters.	3, 4	Technical thematic Protocols	R	In order to have a functional protocol, it is necessary to have the specific diagnostic of the micro-watersheds	We could concrete basic information in designing general protocols We also integrated information of the basin, which will be useful to adopt monitoring protocols to the region Personnel from CI and Pronatura participated in a training course " <i>Planificacion y Gerencia de Proyectos orientada por Impactos (Marco Logico)</i> ". This training allowed us to generate methodological sources to develop indicators and verify means for the project, also development bases to generate an information system in systematic data to address problems in monitoring in the execution of the project.
Activity 1.5 Introduce the initiative to governmental agencies, water users councils and bi-lateral entities.	1) Technical work meeting with the members of the Usumacinta / Grijalva Watershed Council.	4	-Memory of the work meeting. -Formal documents of where the initiative is recognized: Usumacinta Basin Council meeting (December 2, 2003) attached.	F		The initiative was presented and recognized in the national and state council in Mexico. We had an active participation in several meetings in Usumacinta - Grijalva Council and technical committees. Next steps are to follow the different meetings, workshops of the Council and technical committees, and also to support the compromises acquired in the councils. We will involve the technical committees in the micro-watershed diagnostics and in the pilot micro-watershed (Annex on the mid term report) .

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	2) Formally present the initiative within the bi-national meeting of Guatemala and Mexico and CCAD.	4	Memory of the work meeting. Formal documents of where the initiative is recognized.	OT		<p>Meetings and planning activities in Guatemala took place with Fundacion Defensores de la Naturaleza to negotiate the "Sustainable Management of the Middle Usumacinta Watershed" project summit to AID-Guatemala.</p> <p>We presented the initiative to the Mexican Commission for Centro America Cooperation in the specific Workshop: "Advanced in the negotiations of the water for watersheds in Guatemala and Mexico", we contacted to different governmental, state and federal institutions in Mexico and Guatemala to exchange information (CNA, SRE, CILA, SEMARNAT, CONAFOR). Otros- IMTA, MARN y MAGA) (Annex 4,5).</p> <p>In a first planning meeting, an agreement with CNA and SEMARNAT will take place to integrate officially the Planning Team for the Usumacinta basin.</p> <p>Pronatura visited Guatemala to establish a work relationship with the Conservation Center of San Carlos University, the objective was the development of the project "<i>Analisis de las politicas ambientales de infraestructura y manejo de informacion para las practicas de conservacion sustentables en Guatemala y Mexico</i>".</p> <p>Next steps are to promote and facilitate the relationship between partners about Usumacinta basin Guatemala-Mexico. We will give follow up to the meetings of the Mexican Commission for Central America Cooperation.</p>
	3) Present the initiative through a protocol and other tools to the NGOs, universities and federal and estate agencies with activities on conservation and development in the lower basin.	4	Technical paper and web page.	R	It was necessary to integrate information to make different diffusion tools, and we moved this activity to next year.	<p>We have a database of the Usumacinta basin, basic maps, and more elements to integrate information for diffusion materials of the initiative and region.</p> <p>The proposal for next year is to develop specific materials like an edition of a micro-watershed map (for diffusion and work), a brochure about the conservation relevance of the basin and the initiative presentation. The participative process at local community level, was done by Pronatura, which established a collaborative plan with FDN to conserve the basin on the Guatemalan side.</p>

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	4) Identify pilot micro-basins as potential site of monitoring protocols testing in the second year (these micro-basins will be potential sites to propose testing operative instruments as FIRCO does).	4	Technical paper and maps.	R	It is necessary having the micro-watershed diagnostic first.	We established relationship with the operative and technical team of FIRCO in the region, we also started a technical support (exchange and management information) with operative team from FIRCO We propose to develop and involve the technical and operative team of FIRCO on the micro-watershed diagnostic and implementation.
Activity 1.6 Design and establish a system to exchange information on the basin.	1) Design the information exchange system (e.g. e-room, information nodes, etc).	3, 4	Report with the system designed.	OT		CI and Pronatura developed the critical route to establish an exchange information system. With the Information technology from Pronatura and CI was possible to make an evaluation about the technology capacities and tools in both institutions. Pronatura negotiated with the Information Department from ECOSUR to install a server in order to exchange information of the Usumacinta, Sierra-Costa and State watersheds. We established agreements regarding equipment operation and maintenance, and enforce technical capacity of ECOSUR and Pronatura. We will review different tools like CI's E-ROOM, Web sites, etc. to install them in the server.
	2) Elaborate a normative framework to exchange and use metadata and technical information on the basin.	3, 4	Document with the normative framework.	F		We developed the meeting to identified initial partners, and then we signed the final normative document and established the operative committee to exchange the system and define the work plan for the first year of operation. (Annex 6) The next step is for the committee to implement the operations system, apply the standards, quality controls and functions for every participant and user of the system.

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Activity 1.7 Compile and review innovative systems and economical instruments for water conservation in Mexico and other countries.	1) Search technical information in Internet, Universities, water agencies, <i>Comite Pigua</i> , etc.	1, 2, 3	Annotated list of papers and published works on the theme. Physical and digital libraries.	F		We could compiled several information about the watershed topic, and the information was organized into a small digital library (Annexed on mid term report). We actually started with the integration of a catalogue of information Next step is to use that information for the monitoring protocols and system

D.1 Details of key accomplishments

a) Strategy used to achieve result

In the FY1 was important to review information compiled in watershed management, experiences of other plans in shared basins at a national and international levels, natural resources and water conservation to understand the concepts, criteria and needs for Planning and Management Watersheds. This information was shared with Pronatura, and we formed a technical team to develop this objective and the Plan, including members of SEMARNAT and CNA.

The technical team defined that because of the size and conditions of the Usumacinta Basin the most viable activity is to develop a Strategic Plan for the whole basin, and a Management Plan for key and priority micro watersheds. We also identified the need to hire consultants in watershed planning and management, legal and institutional articulation topics. We involved SEMARNAT in the process as a important institution in environmental and normative issues and CNA as normative institution in watershed management of Mexico. We also present in a open meeting our plan with the Usumacinta to the Mexican Commission for Central America Cooperation the initiative for enforcement the process, and established contacts and agreements to collaborate with key partners in Guatemala and Mexico (Defensores de la Naturaleza, MAGA, FIRCO, CONANP).

b) Immediate Impact achieved

- o Usumacinta-Grijalva Council, Technical committees and CNA accepted that Plan as an opportunity to insert their objectives in this plan and to work in the region in a coordinated way.
- o We also took the opportunity to establish ways of planning and coordinating to work in the region by involving different important actors

- o Defensores de la Naturaleza from Guatemala considers this project as complementary to the project that they already manage in Guatemala. Defensores also received a grant from USAID Guatemala due to the approach and trip we made last December, 2003 to the Usumacinta area.

c) Challenges impacting results

- o Re orientation of the activities, in order to have a better definition of the process
- o It will be finally obtained a Strategic and Management Plan for whole Basin, beginning in a pilot micro-watershed in Mexico, which will allow previously prioritize the micro-watershed.
- o Get a real support of the specialist in planning and management international watersheds, as well as legal topics to enforce the process and the Plan.

d) Future Strategies

- o We need first to obtain the information from original sources and then re define the scales necessities for the analysis.
- o It is important to mention that is not yet possible to assess the threats and opportunities. First it is important to have the knowledge and agreement of other actors and then to know other tools for biodiversity analysis.
- o Incorporation of a legal and institutional analysis it is necessary for planning and defining the conceptual and methodological framework first. A technical support is also necessary.
- o In order to have functional protocols it is necessary to have first specific diagnostic of the micro-watersheds and design the monitoring system. This activity is being addressed in Y2, 1.3.
- o First it is necessary to integrate basic information to be able to develop different diffusion tools. And for Y2 we plan to formalize agreements and other mechanisms to cooperate with other institutions.
- o Diffusion of this system to stakeholders of the process and benefits will take place next year. We are addressing this activity in 1.2 Year 2.

Objective 2: Expansion of the Agricultural Frontier into Protected Areas is Slowed.

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 2.1: Carry out an updated assessment of the status regarding the invasions and irregular settlements and deforestation within the Protected Areas (PA) in the Usumacinta Watershed (Including Guatemala), and evaluate the major factors that influence such processes.	1) Elaborate individual cards on the background, current status and conditions of the negotiations for each irregular settlement.	2	Status cards with basic information on each site.	OT		<p>We already have the information for Montes Azules invasions status cards (Annex 7 - A Preliminary information, since the final information will be given by SRA, official federal entity, who will be informing during the first months of 2005) Annex 7-B</p> <p>Support CONANP and SRA to identify in an over fly a new possible invasion in Montes Azules Reserve (September, 2004), reported by partners in the early awareness systems (Annex 8).</p> <p>Next step is to obtain the Guatemala status report from MAGA and Defensores de la Naturaleza</p>

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 2.2: Revise the negotiations and conflict resolution processes implemented by the Mexican Government, and development of an objective financial plan to funding the potential resolution activities.	1) Work meeting with the agrarian authorities and the CONANP and PROFEPA in order to develop a financial plan for resolution activities	3	Financial plan for resolution activities. Acknowledgement to the formal leader of SEMARNAT-CONANP in order to invest in restoration and watching Natural Areas.	R	This process has been addressed by the Mexican Government lead by SRA and CONANP	CI supported the Special Representation in Chiapas of the SRA to gather all the information on each irregular settlement within the protected areas Provide capacity building in conflict resolution techniques and technological tools and establishment of an agreement with Governmental institution in Mexico y Guatemala. Next steps is to support Montes Azules advisory Council to invite the social participation.
Activity 2.3: Provide capacity building in conflict resolution techniques and technological tools (Polimap) to CONANP and PROFEPA staff in the region, and other stakeholders	1) Training course on environmental conflict resolution	3	Course Report. Trained staff	R	This process has been addressed by the Mexican Government lead by SRA and CONANP	We are planning to meet with Defensores de la Naturaleza to address this issue.

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 2.4 Design of an efficient mechanism for the detection and information exchange regarding invasions and land use changes to the PA of Mexico and Guatemala, including financial systems to sustain patrolling activities.	1) Facilitate of a work meeting among the protected areas commission staff from Mexico (Region VII) and Guatemala (Sierra del Lacandon NP).	3	Report on the work meeting and agreements	R	This process has been addressed by the Mexican Government lead by SRA and CONANP	We current exchange information with SRA, CONANP and Government of Chiapas trough Natural History Institute and Ecology (IHN y E)
Activity 2.5: Preliminary design of additional joint alternatives to prevent the invasions and the land use changes within the PA (improvement of traditional crops, etc).	1) Same work meeting than 2.4	3	Report with list of additional alternatives.	OT	This process has been addressed by the Mexican Government lead by SRA and CONANP	We participated in the initiative of COP7 and the NGOs and Civil Organization coordination with CONANP in order to include these issues in their Strategic Plan for National Protected Areas. Promotion of strategic activities and improvement of traditional crops, etc

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 2.6 Plan a clear strategy for public dissemination of the current status regarding the irregular settlements in the PA ³	1) Fill informative needs before others do.	3	Document with a general strategy	D	We plan to develop this activity with Advisor Council of Montes Azules	By agreement with different Governmental organizations we started to develop a communication plan Motivate decision makers about the importance to access the positive information

D.2 Details of key accomplishments

a) Strategy used to achieve result

During Y1 we met with CONANP, SEMARNAT representative in Chiapas, and SRA in order to contribute to the solution and management of conflicts caused by irregular settlements as result of this meetings and efforts of other institutions, the Mexican government declared the Lacandon Jungle as a national priority and it is solving agrarian conflicts.

b) Immediate Impact achieved

Up to date 85% of the invasions of the Montes Azules Biosphere reserve are solved. The south of Montes Azules biosphere reserve is empty of irregular settlements.

c) Challenges impacting results

The most important challenge of this result was to motivate decision makers about the importance of solving these problems.

d) Future Strategies

To empower the Advisory Council (Consejo Asesor) in order to support strategic plans for the Natural protected areas of the Lacandon region.

³ This activity is in order to fill the public information spaces with objective data before political groups that seek other intentions use them.

Objective 3: Incidence and Impact of Forest Fires is Reduced

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 3.1: Re-activate the prevention of forest fires campaign (radio messages)	1) Assess the impact of the previous forest fires campaign	1 , 2	Evaluation report	R	It is not worth to analyze this kind of activity, since PPIRA has done more activities regarding it.	An analysis of the region will be done with specialized information of the specific area.
	2) Broadcasting radio messages	2 , 3	Number of messages launched to the public.	F		1120 radio spots broadcasted from April 7 th to May 15 th in 3 different radio systems produced in Languages: Tseltal, Tsotzil and Spanish Broadcasted to the whole state of Chiapas. Appendix reported on May, 2004.
	3) Maintain the forest fires detection techniques using the hot spots system of CONABIO	2 , 3	Report of forest fires during the next dry season	F		That activity has continuity, There was no report about hot points in the last quarter, The statistics and official fires reports were reviewed for Chiapas with information of CONABIO, CONAFOR and CONANP. Reports were checked out with MODIS images from early awareness systems from NASA. (Annex 9)
Activity 3.2: Rapid assessment of permanency and effectiveness of the different alternatives of forest fire prevention including the use of frijol abono, the prescribed burning etc.	1) Evaluate the use of frijol abono in selected communities within the Usumacinta Basin	2 , 3	Evaluation report	D		During FY 04 We established the baseline for the most important regions using frijol abono and we will develop an assessment with positive and negative impacts This activity it is necessary to be completed for Year 2

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 3.3: Design of a fire management plan to promote additional alternatives in order to prevent forest fires, including a forest fires prevention practices combined according to the landscape units, a reimbursement system to have opportune funding to cover combat expenses.	1) Work meeting with major stakeholders and agencies directly working for forest fires prevention (e.g. incentives for agroforestry systems)	3 , 4	Fire Management Communication Strategy regarding feasible alternatives with specific actions for the Lacandon Region.	D	There was no agreement with other partner.	We participated in the Governmental coordination to prevent forest fires, and proposed the strategic plan. The Strategy will be ready at the end of the 2 nd year, base on the assessment of previous campaigns, we hope PPIRA/FMCN shares this information. Coordination in times an objectives with Governmental institutions in order to develop a common agenda in times is required.

D.3 Details of key accomplishments

a) Strategy used to achieve result

The result obtained in Year 1 was to use a successful communications media used in previous campaign: Radio Spots.

b) Immediate Impact achieved

Radio Spots were broadcasted as an ongoing tool, aware general public about damage of forest fires, and few forest fires happened during 2004.

c) Challenges impacting results

Contribute to the attitude in the use of fire to harvest.

d) Future Strategies

Identify right channels and materials to communicate prevention of forest fires.

Objective 4: Communities and Partner NGOs Develop Economically Viable Responsible Tourism Projects

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
A) Assessment of performance and of organizational strength of the CBEs to manage viable responsible tourism business (Capacity Building to Conservation enterprises based on responsible tourism productive activities).						
Activity 4.1. Assess and evaluate of the current status of the CBEs regarding the environmental impacts (positive and negative), organizational structure, legal and fiscal, finance performance and quality of services.	1) Design of a capacity assessment survey to systematically gather and update detailed information on every CBE that potentially could be inserted in the responsible tourism network (comprises direct and indirect related business)	1	Survey designed	F		The survey was designed and we obtained information like general data of the business or CBE, products offered by different sectors; CBE's constitution legal structure, environmental practices (e.g. management of residues and prevision of environmental impacts). (Annexed on the mid term report)
	2) Realize 2 field trips to introduce and apply the survey and complete verify the information in a participatory process on the ground	2	Field trips reports. Completed Surveys	OT		
	3) Analysis of compiled Information and preliminary performance assessment of each CBE	2	Technical report	D	This assessment will take place in Year 2	The assessment will be part of the Joint Strategy in Year 2

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 4.2: Participative development of strategic plans to strengthen the organization of each CBE	1) Workshop and work meetings with the CBEs for a self-evaluation based on and presentation of the surveys results	3	Workshop report	OT / R		Time for CBE's participants was not the same as planned.
	2) Elaborate a strategic plan with each CBE to address needs to strengthen their businesses	3	Individual Strategic Business plans	D	Some business plan of the CBEs will be develop on Year 2. This activity will become a long term one.	No strategic plans for SOME CBEs were elaborated during Y1, three are just drafts. We already planned the active participation of high-level students of the ITESM to help the CBEs in developing CBE's business plans. This activity will take place next year
B) Strategic training in business management to improve the financial performance of the CBEs and first steps towards a network						
Activity 4.3: Identify training needs (themes and levels of training) regarding business management for each CBE.	1) Analysis of the survey results regarding the financial performance and business management capacities of each CBEs	2	Technical report	R	Training program will be developed during Year 2	Partners involved will decide to design basic training courses as a continuation of this activity and also a course on Business Plan Development to fill out the gaps found in the survey
Activity 4.4: Training of key members of the CBEs in business management	1) Carry out 2 basic formal courses to managers and other key members of each CBE	3,4	Courses at the Moxviquil Training Center Report of courses given. Trained members of the CBEs	R	A general information meeting about management took place in San Cristobal with key members of the CBEs	In the first year, the coordination with some institutions and some CBE's took more time than planned. There is a need of strengthen Inter-institutional coordination, which will be addressed designing the joint strategy in Y2.

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 4.5 Participative collective identification of advantages and opportunities to formalize a responsible tourism network in order to increase impact of commercialization and develop common approaches to product development.	1) Work meeting with the directive heads of the CBEs to identify and agree collaborative links to launch the network, and define its purpose and agree how it will operate.	3	Meeting Report	R	The advances under this activity is a first step to begin to develop the net work	Several meetings with some CBE's took place and we selected the most important products for each enterprise There is a need of strengthen Inter-institutional coordination, which will be addressed designing the joint strategy in Y2.
C) Capacity building to develop high quality ecotourism products and services						
Activity 4.6 Identify strategic training needs in development of high quality tourism products and services	1) Application of surveys with visitors, tourists and tour operators and agencies in order to identify the quality perception, product attractiveness, demands and needs to improve the services	2	Surveys completed.	R	This is a future action.	This activity was proposed to be developed by Pronatura. We expect to address this activity in Y2 in activities 4.2. and 4.3. with a more detailed analysis among actors and partners.
	2) Analysis of the information from the surveys on quality	2	Technical report	C	This is a future action.	

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 4.7 Assess the impact of courses already given.	3) Compile and revise courses given in the recent past and comparison with the estimated performance and applying an evaluation test to members of each CBE	2	Annotated list of courses given in the region. Report on the results of the evaluation.	C	This is a future action.	This activity is going to be developed by Pronatura.
Activity 4.8: Capacity building work meetings and training courses ⁴ on strategic topics for product and services development and improvement.	1) Design of the thematic training courses considered as priorities to improve the quality of the products and services	3	Courses contents and programs	F		This activity is taken under 4.2 Year 2 activity which will be an ongoing activity during the next year
	2) Implementation of the first 3 identified courses based on the results	3,4	Report on the training courses given	F		Basic courses were given: Enterprise Tourism Operation, Environmental Good Practices, Hygiene, Receptionist, First aids, Foods and beverages, Business plan, Principles of tourist certification
Activity 4.9: Support project to handicrafts development for women groups: 1 st . year Lacandon Women.	1) Diagnostic of existing production: quality, design, presentation	1,2	Assessment report	F		Completion of diagnostic of artisan techniques and materials related to the project product. Revision of interrelationship between diagnostic of materials, techniques and product with various packaging design proposals that would be value added packaging as well as protection of the product during transportation. Compilation of general and specific information of the edition of texts and labels for product.

⁴ Every course and training will consider a limited number of persons, although the principle of equal opportunity to women and men will be maintained. It is planned to get a multiplier effect.

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
	2) Diagnostic of capacity of groups (management, bookkeeping, costing)	2	Assessment report	F		<p>Production capacity of artisans in each community was assessed.</p> <p>Meetings were conducted to locate women leaders within the artisan groups that could assist with the implementation of the workshops and the verification of production quality.</p> <p>Design of the packaging and testing of various design models.</p> <p>Market study concluded of feasibility of product and packaging design selected.</p>
	3) Initial workshops with artisans to develop group dynamic, agree roles, ensure that they take responsibility	2,3	Group structures with nominated officials	F		<p>Two ceramic workshops conducted</p> <p>Two marketing workshops conducted</p> <p>Two packaging workshops conducted</p> <p>Cooperative Artisan Groups formed with leaders selected by family unit to supervise production, quality and traditional techniques.</p> <p>Personal product stamp created to identify products with a particular artisan and in this way add value with each product being individually signed.</p>
	4) Follow-up production visits	3		F		<p>Eight production follow-up trips conducted to the communities.</p> <p>Warehouse area established in San Cristobal de Las Casas.</p>

Annual Report: From October 1, 2003 to September 30,, 2004

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
	5) Product design, packaging and production workshops	3,4	Handcrafts Production	F		400 packaging systems produced. Supervision of printing and texts of packaging undergone. Artisan products integrated into packaging. Selection of God Pots for incense burners or candles undergone. Contacts with museum stores at a national level initiated. Recollection of last part of production conducted.
	6) Product promotion to identified markets	4	Sales reports	R	There is some promotion, but next year there will be more work with finding new markets.	
Activity 4.10: Identify alternatives for new products and services development (Handcrafts, textiles, guides, etc).	1) According to the information on visitors demands and needs from the applied surveys, begin market information service to CBEs to enable them to develop new products and services	4	Technical report	F		Initial sales of 50 products obtained through "Jardin del Jaguar" Store. Commitment from the Amparo Museum store in Puebla and EDUCAL store in Chiapas to carry product. Contact with fair-trade organizations in Canada, United States of America and Europe initiated to open international markets for product. Annex 10
Activity 4.11: Assess marketing and commercialization activities for every product and service currently offered by the CBEs	1) Analysis of the information gathered in the field visits, surveys and courses evaluations of the marketing and commercialization ongoing activities for each CBE	3	Technical report	F		A survey within the major tour operators in Chiapas will be developed and applied to identify the local marketing effort

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage “D”, “C” or “R”	Achievements, observations on the next steps and comments
Activity 4.12: Participatory design of an strategic plan to improve the marketing and commercialization of each product and service as well as of the responsible tourism network.	1) Determination of strategic opportunities to improve the marketing and commercialization of the products and services offered by each CBE, including image development of the network .	3,4	Technical report. Image brief manual for the Network	R	This became 4.4 year 2 activity	We started to develop a strategy for products development in Nueva Palestina and this information will be useful for future activities. The legal agreement will be finished and operating. We will strengthen Inter-institutional coordination with the development of the joint strategy.
Activity 4.13: Identify alternatives and options to build win-win alliances with private operator and agencies	1) Visit to private sector tourism operators with current activities in the region	3,4	Annotated list	R	This activity will take place under 4.4. activity Year 2 WP.	
	2) Analysis of the actual relationships between CBEs and private sector in order to identify advantages and opportunities for the CBEs	3	Technical report	R		
Activity 4.14: Design and disseminate a code of best practices in tourism among the CBEs and other stakeholders within the Usumacinta watershed.	1) Gathering existing best practices in tourism activities in order to produce a preliminary code to be distributed among the stakeholders	1	Best practices in tourism code completed and distributed.	R	This will be a WPYear2 activity.	A set of “ <i>Best Practices in Tourism</i> ” has been compiled from several sources.

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 4.15: Preliminary assessment of every CBEs of the potential network applying the best practices code as a evaluation framework.	1) Field visit to apply a survey in each CBE in order to assess current best practices	2	Surveys completed	R	This activity will take place after the analysis of certification models, which will take place in the following year.	
	2) Analysis of the survey for the establishment of a base line for each CBEs of the network in terms of best practices	3	Technical report	R		
Activity 4.16: Identify and revise tourism certification models existing in this and other regions.	1) Realize a comparative analysis of advantages and disadvantages of each certification model	2,3	Technical report	D	This activity will be addressed on Y2 WP activity 4.5.	In order to get as much information as possible on certification processes, different documents were obtained by CI that will be useful to develop a certification process in this region We will be partnering Rainforest Alliance, leader organization in central America and with experience in certification models

D.4 Details of key accomplishments

a) Strategy used to achieve result

To form an alliance with the Tourism secretariat of Chiapas and leading the inter institutional tourism committee. We worked also directly with local CBEs were we selected the most important products for each enterprise and key and basic training courses were given. Working closely with community women leaders and in particular with artisans we were able to create significant interest in improving the quality of the artisan products with the clear objective of improving the products acceptance within a larger market. We were able to combine successfully a product with an important cultural value within the Lacandon culture that would also be attractive and understandable for the western market and consumer. Investing in the artisan sector has a direct impact in improving family incomes and strengthening family or community run businesses. In particular, the positive economic impact of this economy is directed to the female portion of the community that takes an important role in the creation and marketing of artisan products. Additional benefits include improving the balance of trade through exports and sale to foreign visitors, enhancing tourism by creating unique products with cultural value, and improving social and cultural conditions through the creation of environmentally sustainable small businesses.

b) Immediate Impact achieved

Strategic Alliance with key partners in Chiapas and local communities.

Immediate impacts included the increase in the level of understanding among women artisans of the importance of product quality for the outside consumer market as well as the creation of a production system that will allow the community to meet market demand with a standardized product that will easily insert itself into market channels outside the traditional local tourism trade.

The project has also allowed the community to further diversify its offering of artisan products and has increased the level of cooperative community work in the artisan sector. We have also seen a significant desire on behalf of the community to work with outside designers and consultants to continue improving the quality and designs of Lacandon crafts.

c) Challenges impacting results

Legal constitution of some Community Base Enterprises.

In the beginning of the project cultural differences impacted our ability to implement a standardization of product size, this regarding handicrafts with the Lacandon community. Partly due to the limited education level of the artisans, trying to communicate efficiently the idea of a common size for a three dimensional product proved more difficult than we had originally anticipated. There was also an initial skepticism among the artisans that a common production process and the use of the community oven for firing a large number of pieces at time was a feasible possibility. Fortunately, after encountering success with the community firing many of the artisans became highly motivated to continue this process. The leadership of the artist Kayum Maax and his wife Nuk of Naha was invaluable in reaching a successful level of production to meet the goals proposed at the beginning of the project.

d) Future Strategies

Work at local and regional level to consolidate CBEs and alliances with Tourism operators in San Cristobal and Palenque

An economic alternative" was received in the community and by the marketplace, and Na Bolom's extensive experience of working with the artisans in communities of the Lacandon rainforest we now believe that it is appropriate to open up the Fair Trade marketplace to the artisan products being produced within the Lacandon and continue consolidating and diversifying products for the national and international marketplace.

The 2004 – 2005 work plan entails further artisan product development and Fair Trade market development building on earlier advances. The Artisan sector is an important and growing economic sector for the communities in the Lacandon rainforest that provides a low environmental impact activity with cultural value, yet it is a sector that requires new vision and new markets.

Objective 5: Communities Implement Sustainable Natural Resource Management Projects

Activities	Sub activity	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 5.1: Establish a base line on the current harvesting of xate in selected areas of the Usumacinta watershed.	1) Compilation of updated information (local knowledge, literature review, studies undertaken) on the xate harvesting, ecology and commercialization	2,3	Technical report	F		We already have important information from Mexico and Guatemala. Annex 11
	2) General updating of the status of the areas under harvesting	3	Technical report	R	This activity will take place in Y2.	
	3) Assess the effects and impacts of the different systems and intensities of harvesting in selected sites.	3,4	Technical report	C	This action is going to be considered in the following years.	
Activity 5.2: Assess the performance, status and cost/benefit analysis of installed plantations and community based enterprises	1) Evaluation of selected parcels dedicated to the cultivation and production of palms, in order to determine their yield rates and productivity	3,4	Report on the evaluation of productivity and management recommendations	R	This activity will be done during Y2.	We already have basic information in the field on the xate plantations and harvesting areas.
Activity 5.3 Evaluate the benefits accruing in the value chain of the local collection and distribution system.	1) Assessment of the organizational aspects and legal issues of the community based enterprises and cooperatives harvesting xate	1,2	Technical report on organizational constrains. Workshop report	R	This activity will be undertaken in Y2	We have some information from Follajes Lacandones. A study on market tendencies will be developed in Y2 and this activity will be considered.

Activities	Sub activity	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
	2) Evaluation of the commercial chain and marketing procedures that prevail in the region.	2,3	Sub sector analysis	R	This activity will be undertaken in Y2	
Activity 5.4 National and international market study of xate palms identifying potential for supply chain incentives for sustainable harvesting	1) Updated assessment of the markets and prices	3,4	Technical report on productivity	R	This activity will be undertaken in Y2	Preliminary information on markets and prices for the xate palm has been compiled from different sources.
	2) Workshop to share information with CBEs	3,4	Workshop report			
	3) Identify new alternatives of commercialization for the different species of palms	4	Workshop report			
Activity 5.5 Gather and update technical information regarding the harvesting and cultivation of pita.	1) Mapping and evaluate the ecological conditions within the harvesting areas and plantations of pita plant	2,3	Preliminary maps of pita harvesting areas in the region. Inventory of pita plantations in the basin (only Mexico).	R	This activity will be undertaken in Y2	
	2) Identify pathogenic agents which affects the pita plant in order to determine prevention and control mechanisms	2,3	Technical report	C	This activity could or could not take place in a different stage under this objective.	

Activities	Sub activity	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 5.6: Strategic training to improve the performance of the CBEs and cooperatives dedicated to use this non timber forest resource	1) Training on the different steps for processing the fibers of pita (processing of the fiber)	2,3	Course report	R	This activity will be undertaken after the tendencies market study.	The Tendencies Market study will conduct the information needed to program training in the area at different levels.
Activity 5.7 Strengthening of the existing CBEs, cooperatives and producers of pita	1) Assess and evaluate the organizational status and structures of the community enterprises and cooperatives	4	Evaluation report	R	This activity will be undertaken after the tendencies market study.	The Tendencies Market study will conduct the information needed to program training in the area at different levels.
	2) Participative design of a strategic plan in order to integrate the producers of pita to the region with the "CONPITA Initiative"	4	Strategic Plan	R		The Tendencies Market study information will be useful to identify new initiatives.

D.5 Details of key accomplishments

a) Strategy used to achieve result

Field visits to the Lacandon Area to evaluate the status of one of the most important Xate enterprises: Follajes Lacandon and obtain information from SEMARNAT to know the status permission of the enterprise permission, we worked with CONANP to start to develop a common agenda for Xate activities as conservation enterprise.

b) Immediate Impact achieved

Close work with local partners and build alliance with CONANP to develop conservation strategic lines

c) Challenges impacting results

It will be to access to the knowledge of international market vs. local benefits.

d) Future Strategies

Evaluate the potential of the Xate palm at international level as a product for conservation and rural development

Objective 6: Local NGOs Develop Capacity for Watershed Monitoring

Activities	Sub activity	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
Activity 6.1: Complete the characterization of the water bodies in the Lacandon Region.	1) 3 Field trips to get information from the ground and to test the Water Bodies Assessment Protocol	2,3	Field trips report	F		We made 2 trips, to verify information in the field coordinated with Pronatura, Ecosur, CI; the last one was a very effective trip because it included other activities in building capacity al field level, collaborated with other projects like "Ara macao" conservation and wetlands diagnostics. This trip was coordinated with CI, Pronatura, Cornell University and supported the taxonomies from UNAM and local people. (Annexed on mid term report). For Pronatura was the inductive process to the area of study, to establish contact with local actors in the Selva Lacandona.
	2) Elaborate monographs for the major water bodies of the basin in Mexico	3,4	Monographs	OT		We defined the specific parameter for the monographies, we have basic and field information of the major water bodies, and also the guidelines for the spatial evaluation with Landsat images. We had no advance in the last quarter, we will finish it in the 1 st quarter of next year.
Activity 6.2 Assess the capabilities, strengths and weakness of different local institutions in order to design a monitoring system for the basin with key institutions	1) Develop a workshop with key stakeholders directly involved in environmental and hydrological monitoring	3	Memory of the workshop. Report on the Diagnostic of installed capacities	R	That activity is related to the Monitoring system for the Usumacinta basin.	Planning and programming the specific workshops as part of the Plan process took place. We identified key stakeholders with the Outcomes Monitoring assessment. And now we know the hydrological stakeholders for the Usumacinta Basin in Mexico.

Activities	Sub activity	Quarters	Comments, verifiers and expected products	Status of the activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
	2) Revise existing monitoring protocols for other basins or watersheds, including the ones developed by the Comité Pigua in the Coast of Chiapas	2,3	Annotated list of the major monitoring protocol.	F		We integrated digital information about the theme including the Comité Pigua information and Guatemala studies. (Annexed on mid term report).
Activity 6.3 Support of the first course on metadata management at ECOSUR	1) Assistance and support to the training course organized by ECOSUR.	1	Memory of the training workshop, managing meta data (what has been learned).	F		That activity was developed at time. We could establish on going communication with ECOSUR, SEMARNAT. CONABIO, CONANP, PRONATURA to identify opportunities in training. (Annexed on mid term report).

D.6 Details of key accomplishments

a) Strategy used to achieve result

A technical work team was organized: Pronatura, CI, ECOSUR and field technicians; to make field verifications and we included training and the introduction of Pronatura to the Lacandona region. In these trips we collected field data necessary for the characterization of water bodies of CI project, the wetlands and *Ara macao* Pronatura projects.

In the designing of a Monitoring system we had to move that activity to objective 1, because we will be linked with the development of the Plan. Since the Usumacinta is a bi national basin, we are able to support the process with the inputs of the Outcomes Monitoring in a CI Initiative.

Joint efforts with the Coastal Watershed Project and Bird Conservation Project were the result to establish a GIS team - Pronatura, IHNyE, CONANP, CI with technical and direction personnel. ECOSUR was invited to enforce some actions like building capacity, exchange information, experience, etc. related with GIS and Monitoring.

b) Immediate Impact achieved

- Identify the opportunity of a best definition of the design the Monitoring system, linked with the Plan and with the Outcomes Monitoring initiative for Mesoamerica
- Promote the coordinated work in the field with important partners covering the different interests, and consolidating a technical team for landscape, and water ecosystems evaluations
- Pronatura had its first approach to the field in the Lacandon region, where they were never before doing this kind of activity.
- We showed that with joint efforts we can carry out actions benefiting a whole group of institutions, especially enforcing our capacities and exchanging experiences.

c) Challenges impacting results

- We have to conclude the water bodies characterization and capacity building
- Due to some mistakes in the Landsat image we complemented the spatial analysis for the water bodies with others materials and Spot images.

d) Future Strategies

- Conclude the water bodies characterization
- Conclude other institutions capabilities assessment, including the Outcomes Monitoring Process and Chiapas Coast Project
- Carry out a training program for local partners
- The training includes other key partner participation in order to facilitate the process and cover more actors

4. Environmental Compliance.

Activities considered under this work plan focus mostly on development of conservation and community development strategies. There is no place to build infrastructure impacting environment.

However, regarding requirements of environment compliance, we will consider an environmental assessment if this is needed.

5. Gender Compliance

For Y2 operation of this program, we consider to follow up activities regarding gender issues. This program has a team composed by partners, who have an active and wise participation both men and women. All decisions made are under the whole group agreement; there is a visible commitment when the whole group makes the decision. We are on the process of planning stage. Communities have their own customs and men make most of decisions. Women only support the husbands or partners decisions, this is the way social organization works for most of the Mayan culture.

Objective 1: A Collaborative Watershed Management Plan is developed

The technical group of work between CI and Pronatura for the Collaborative Watershed Management Plan includes the participation of men and women allowing different perspectives to the process. It is also contemplated to include the participation of heterogeneous groups in

the workshops or consultations during the elaboration of the Plan.

Objective 4: Communities and Partner NGOs Develop Economically Viable Responsible Tourism Projects

In Y1 we obtain the participation of men and women by a process of open invitation with equity of opportunities to women, men, young people (18 years and above), and senior citizens; so they were incorporated to take training on tourism. In some cases, participation of women was more active than men. In Y2, we will develop an evaluation of women participation on business activities.

The long-term relationship that has existed between Na Bolom and the Lacandon communities has allowed us to develop a close relationship with each individual family group and in particular, since 2003 with a series of artisan workshops, we have focused on the women of the community and this has continued through the current project. Over time we have seen an increasing participation and decision-making capacity among the women artisans. Approximately 60% of the female population of the Lacandon community of Naha is directly involved in the production groups for this project.

6. Other donors supporting this program and links with Governmental Agencies.

- **Integral Program for the Sustainable Development of the Lacandon Rain Forest. (PRODESIS)**

This program is working outside Natural Protected Areas in the “Cañadas” area in Chiapas and our Usumacitna program will complete activities on the other side of the Lacandon region. The Ministry of Social Development (SEDESOL) and the Ecology and Natural History Institute (IHNE) lead this program with the financial support of the European Community. CI and PRONATURA will be seeking for opportunities of mainstreaming with this program.

- **Population, environment and sustainable development in the Lacandon Rain Forest.**

This program will be operated by the following agencies: Secretaria de Desarrollo Social (SDS), Instituto de Historia Natural y Ecología (IHNE), Secretaria de Pueblos Indios (SEPI), Instituto de Salud, del Gobierno del Estado, Secretaria del Medio Ambiente y Recursos Naturales (SEMARNAT), Secretaria de Desarrollo Social (SEDESOL), Universidad Autónoma de Chiapas (UNACH) and Consejo Estatal de Población (COESPO). This program is supported by the United Nations, and the total amount of funding is of 14.5 million of USD, that includes the Government of Mexico counterpart. CI already is participating in planning meetings within this program.

Another leveraging of financial support in the basin includes the following programs:

- PRONATURA Chiapas Wetlands Program
- Critical Ecosystems Partnership Fund (CEPF). www.cepf.net

Na Bolom, has received complementary assistance for the Artisan Development Program from the Mexican Federal Government's Institute for Social Development (INDESOL), as well as the IMPULSE program of the MERCED Foundation and CITY GROUP Foundation. These complementary projects have assisted in the technical and design aspects of the creation of new artisan products and will strengthen our ability to promote and market Lacandon products at a national and international level and within the fair-trade marketplace.

Besides these organizations, The Peter J. Sharp foundation is providing a grant to support our organization in operative and administrative areas.

II. Integrated Management of the Chimalapas Watersheds, Oaxaca, Mexico

1. Introduction and overview

The Selva Zoque region, located in the Isthmus of Tehuantepec in the borders of Oaxaca, Veracruz and Chiapas, is one of the most biologically diverse areas remaining in Mexico. The mountainous topography (elevations range from 200 to 2,500 m.a.s.l.) and tropical climate support a wide range of different ecosystems that are still relatively contiguous and intact. Complex interactions between topography and climate also contribute to the existence of diverse ecosystems and microclimates that support an exceptionally high degree of endemism and many threatened species. The diversity of ecosystems in the Selva Zoque has been broadly categorized into nine distinct vegetation types, including dry tropical deciduous forests, wet rainforests, high elevation pine-oak forests, and, on the highest mountains, cloud forest and elfin forests. Of these ecosystems, tropical mountain cloud forest is considered to be one of the most globally threatened ecosystems, and in danger of extinction in Mexico. Although cloud forests comprise less than 1% of Mexico's territory, they encompass approximately 10-12% of the country's floral diversity, and possess a degree of endemism of 30% at the species level, reaching 73% for epiphytic plants.

The montane forests are particularly important in regulating the hydrological cycle of several watersheds in southeastern Mexico. Because cloud forests receive exceptionally high inputs of water, due to both precipitation and capture of water from clouds by the canopy ("cloud stripping"), these forests play an important role in regulating landscape hydrological cycles, and generating water for human populations and major industries located in drier zones downstream. The Chimalapas (Rio Corte) watershed in Selva Zoque remains the largest intact tract of tropical forest habitat in southern Mexico, and is ecologically connected to the Uxpanapa watershed network in the state of Veracruz and the El Ocote Biosphere Reserve in Chiapas. Three large rivers from this area contribute to the Coatzacoalcos: El Corte, Uxpanapa and Oaxaca. The region has been a high conservation priority for many years, although much remains to be done to secure this unique biological and cultural center.

The human populations in Chimalapas are divided between the Zoque indigenous communities concentrated in a series of communities within two municipalities located in the northeastern part of the region, and unregulated colonist settlements scattered along the western and southern boundaries of the area. The populations in the colonist settlements include a mix of indigenous and mixed ethnic heritages. Approximately 15,000 people inhabit the Zoque municipalities of San Miguel Chimalapa and Santa Maria Chimalapa, and hold legal communal title to about 590,000 hectares of land. The community of San Miguel Chimalapa has ratified a communal statute that articulates the rights and obligations of communal members, zoning of lands, and natural resource management objectives. However, the colonial settlements operate in a far less regulated environment.

This region and its population have had a process of land tenure and structure problems, and now they are on an attitude of opening and they are now requiring support on their development process. All this process has been conducted by WWF Oaxaca, which up to now has an excellent relationship with CI.

a) Specific Objectives

The overall objective of the Chimalapas watershed planning and conservation process is to enhance sustainable livelihood options and promote the conservation of critical ecosystems and natural resources in the Chimalapas through participatory watershed management planning. Integration of watershed and community scale work to be carried out by CI and WWF will aim to achieve the following broad-based outcomes:

Objective 1 Strengthening local capacities
Objective 2 Design and implement natural resource management projects
Objective 3 Design and implement environmental education and communications campaign
Objective 4 Strengthen watershed committee and overall planning process
Objective 5 Develop and implement an Integrated Conservation Information System (ICIS)
Objective 6 Design and implement a Monitoring and Evaluation system

2. Activities done during Y1 to Y2

In order to develop the work plans for Y2, CI and WWF have come together and done work team. Two preliminary meetings took place in order to plan and agree between CI and WWF in Mexico City and last two meetings took place in Oaxaca City this September and October 2004. **Annex 12.**

We are planning now to have an introduction meeting between technical coordinators of CI and WWF to agree about the process and to know each other expertise and experiences. The meeting will take place in Oaxaca City this November 3-5, 2004.

This workshop will allow WWF and CI to understand in a better way the current situation of the two communities regarding level of involvement in the conservation process, also the partners will reflect their interest to participate in the achievement of conservation and development outcomes. During this work shop WWF and CI will also share the document of AID indicators in order to know the level of involvement that those partners will have in the implementation of the project.

3. Next Steps

Introduction and communications tools will be established in order develop projects in San Miguel and Santa Maria Chimalapas municipalities.

A modification of budget will take place, since Y1 line items are not facing the current needs.

There is between CI and WWF monitoring and follow up of planned activities for this year.

CI will share its expertise in different areas in order contribute and have an active role in process of conservation and sustainable development within Chimalapas watersheds.

As soon as we receive USAID authorization regarding this Y2 work plans, we expect to conduct and developed activities proposed and to continue working in a smooth and cooperative way with WWF and the targeted communities.

III. Chiapas Coastal Watersheds

1. Introduction and overview

Conservation International has been working in the El Triunfo Biosphere Reserve since 1997. CI's has been focused at the promotion of Coffee production systems to maintain and enhance biological diversity, furthermore, provide really social and economics benefits. This program has been implemented in partnership with local coffee cooperatives, ECOSUR and the reserve's management. The coffee program is being applied in the north-eastern region of the Reserve, CI will assess the potential of expanding this work beyond the Ejidos in south-eastern region of the reserve.

As part of activities of the coffee program, CI has performed a database of coffee plantations and neighbour forests data, all this data were incorporated at GIS based in Tuxtla office. By the other side, CI and the reserve have collaborated on developing land use and vegetation maps of "El Triunfo" for use in planning of the many organizations active in the reserve.

Recent work by CI's Center for Applied Biodiversity Science (CABS) has identified the Sierra Madre de Chiapas as the third most important area of for biodiversity conservation in northern Meso America. These findings have resulted a renewed interest by CI in developing a comprehensive conservation strategy for El Triunfo and a long-term ecological monitoring system for measuring the collective impact on biodiversity of the various interventions being implemented in the reserve.

With joint efforts of partners TNC, PRONATURA Chiapas, both El Triunfo and La Encrucijada Biosphere Reserves and IHNE; CI will produce a geographical database and will be shared with partners and stakeholders. This output will be an important tool for Regional Ecological Monitoring System, utilizing GIS capacity in CI's Tuxtla Gutierrez office.

2. Highlights of the Year

- A Work team was consolidated in order to take advantage of different funding sources, expertise, equipment and information. The members are a the people responsible of monitoring and GIS activities.

3. Work plan update and status

a) Objective IR3.3 (CH 2.4): Potential of conservation coffee in the costal watersheds of El Triunfo is evaluated

About the Evaluation of the potential for conservation coffee project in the costal watersheds of El Triunfo (Objective IR3.3 ; CH 2.4), we have had some meetings with key stakeholders (i.e. ECOSUR, IDESMAC, CONANP, etc) to review existing information and we have defined the gross potential high quality coffee region in a map and some farmers and cooperatives are the following: 8 cooperatives

(producer organizations) and 1 “xate” palm (*Chamaedora* sp) council. There are 4,800 small scale farmers in the group covering 5,400 hectares.

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage “D”, “C” or “R”	Achievements, observations on the next steps and comments
Objective IR3.3 (CH 2.4): Potential of conservation coffee in the costal watersheds of El Triunfo is evaluated (This objective contributes to IR2 as well, but in Year 1 is focused on engaging stakeholders to assess feasibility)	Activity IR3.3.1 (CH 2.4.1): Identify the coffee growing areas of greatest importance to the overall conservation strategy for the coastal watersheds of El Triunfo, through consultation with project partners, and existing maps of priority biodiversity and coffee areas.	2	Map overlaying coffee and conservation priority regions elaborated.	D	There was no possibility of working in the coast of Chiapas due that some other organizations like IDESMAC are leaders of this region.	<p>The existing maps of the land use and vegetation in the site were reviewed</p> <ul style="list-style-type: none"> Having three meetings with the objective to define a possible collaboration agreement solved conflicts of Interests with another existing coffee projects. Annex 13. “Invitacion reunion CI-Pronatura- IDESMAC-CONANP”; Annex 14: “Conclusiones y acuerdos reunion 17 agosto IDESMAC, CONANP, CI, PRONATURA” <p>Note: The administration of the biosphere reserve El Triunfo was involved to clarify the Coffee Program approach that really contributes to the conservation in the site.</p> <p>Make a more formal request endorsed by different institution clarifying the utility of this opportunity information to impact in favour of the conservation. I.e. to establish private reserves Next steps:</p> <ul style="list-style-type: none"> Access to the Coffee Ministry GIS database to identify all coffee producers, which is still not ready to share. 2. Apply Agroforestry diagnostics in coffee farms in all potential sites. It includes the GPS of the farms to produce a map with the potential sites to implement the project.

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
	Activity IR3.3.2 (CH 2.4.2): Undertake an assessment of socio economic, agricultural and market factors. Assessment will be done by contract, and will include review of existing literature and interviews with key informants and project partners	3	TOR for context Assessments, Mid-assessment report, Context Assessment drafts elaborated.	OT		<ul style="list-style-type: none"> Terms of Reference are already defined Annex 15: "Site level context Assessment for Chiapas Coast" <p>Next steps:</p> <ul style="list-style-type: none"> Review the map of the potential coffee regions and apply the agricultural assessments with the tools we already have. Hire consultants
	Activity IR3.3.3 (CH 2.4.3): Conduct a coffee stakeholder analysis in coffee growing region. Analysis will include interviews with stakeholders and will identify potential roles for stakeholders within the project.	3-4	Stakeholder template and analysis document developed.	OT		<p>The template, surveys and methodology of the stakeholder analysis is already defined. Annex 15 "Site level context Assessment for Chiapas Coast"</p> <p>Next steps:</p> <ul style="list-style-type: none"> Conduct the Stakeholder Analysis Review the results and assure they can sign a collaboration agreement with CI to put together resources Elaborate the Stakeholder analysis document

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
	Activity IR 3.3.4 (CH 2.4.4): Make preliminary determination if a conservation coffee intervention is a viable strategy for the Pacific Coastal of El Triunfo. Analysis will review context assessments and stakeholder analysis to make an initial decision regarding feasibility. A Risk Matrix will be used to identify potential opportunities, challenges and risks. Partners and potential implementers will be consulted regarding viability before a final determination is made.	4	Document of conclusions and decisions taken Elaborated. It includes the next annexes: Risk Matrix Document and Official Memo to all involved regarding findings.	OT		<p>This activity depends on the finished status of the previous verifiers documents or products.</p> <p>Next steps:</p> <ul style="list-style-type: none"> Review all the documents generated (maps, socio economic study, stake holder analysis, agricultural assessments, cupping quality results, etc) Have a meeting with on going and potential partners to decide if we should implement the coffee project model in Chiapas Coast or not. (Future strategy: <i>Deciding who will be the partners and identifying opportunities and submit subgrants.</i>) Elaborate the document with conclusions and annexes.

b) Objective 4.2: Design and implement an evaluation program to achieve the success of the project.

All activities under 4.2 will be carried out jointly between CI, TNC, CONANP, IHNE, Pronatura and other project partners through the Pigua Committee

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
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Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
4.2 Monitoring System for the Chiapas Coastal Watersheds designed	Activity 4.2.2: Consolidate and update a data base platform for the Pacific Coast of Chiapas.	1-2	List of database and existing methodologies, technical document about standards for integrating data	OT		<p>Work meetings were done with GIS technicians. A proposal of rules for a sharing information System was finished. Annex 6</p> <p>We have compiled 264 vectorial coverings classified in biological, physical, and productive activities, and socio-economic and platform site of TNC; this information includes graphics, data tables, documents and metadatos. Annex 16.</p> <p>A reorganization of this activity and the following took place in order to get joint results. A delay of developing this activity was caused because the responsible coordinator quit CI and began to work for TNC.</p> <p>The next steps are to establish the operative committee and information custodian to the Information Exchange System.</p>
	Activity 4.2.4: Integrate information for the development of an accurate database for the creation of baseline of current vegetation cover and land uses	3-4	Technical Report, Maps available in print and on CI's website and in project database	OT		<p>CI has collaborated with CONANP to update the land use and vegetation map of "El Triunfo". We have integrated the 60% the vegetation database, the next step will be to integrate in this region the coast of Chiapas area.</p> <p>This map obeys to the use of different actors within his region.</p> <p>There is not yet web site definition.</p>
	Activity 4.2.5: Produce analysis of geographic history of incidents of fire	3-4	Technical report regarding fires with cartographic annexes with their distribution and frequency	OT	.	<p>That activity has an advance of 90% up to September 30, 2004; this information already integrated comes from CONANP and TNC.</p> <p>Technical meetings were hold in order to define parameters for fires analysis, with the participation of TNC, FMCN, CONANP and CI. The agreement was that the analysis would be to the platform site at sub-watershed and municipalities level, this kind of analysis is more useful for the actors.</p>

Activities	Sub activities	Quarters	Comments, verifiers and expected products	Status of activity Finished (F) / On Track (OT) / Delayed (D) / Cancelled (C) / Revised (R)	Brief description of stage "D", "C" or "R"	Achievements, observations on the next steps and comments
	Activity 4.2.5: Integrate the baseline and design a system for monitoring water quality	1-4	List of existing documents, databases; digital geographic database for key bodies of water, Water monitoring protocol	R	This activity was planned for coffee activities developed in El Triunfo, but there is a need to direct this activity to the region (Platform site of TNC).	<p>A water evaluation was carried out. This result supports three coffee producers organizations to maintain their organic certifications. Annexes 17-A-B-C.</p> <p>We have a list with about 100 documents, of water monitoring and conservation issues. This list is useful for reviewing future water monitoring. Annex 18.</p> <p>Next step is to create the hydrological - geographical database for the region, which will be useful to design the Water Quality Monitoring System. It will be necessary to define the specific parameters for the design of system according to the region; bring the design to the next FY05.</p>
	Activity 4.2.6: Develop the capacity of local partner to manage GIS system	2-4	Agreements regarding the operation of a regional GIS network, evaluation reports and analysis of local conditions for undertaking the GIS training workshops, Notes from training workshops.	R	The first steps taken to get the information did not give results, so we planned to develop a workshop in December to evaluate capacity on GIS of our partners.	<p>A survey was applied to identify and evaluate GIS capacity partnering institutions, only 2 institutions answered.</p> <p>We defined a new strategy for identification of GIS capacities.</p> <p>The training program activity was re programmed for FY05 Year 2.</p>

The coffee assessment is a potential opportunity for coffee producers in the southern zone of the Reserve, focused conservation and enhancement productive landscapes as well as human welfare at family levels.

4. Environmental Mitigation

This project will provide tools and information to develop environmental impact evaluations and strategic planning to other programs within the region and it will also allow the monitoring of impacts of the projects.

5. Gender

This project is not focused on a gender component. But talking about coffee activities, they are performed by the family unit. Due GIS is just an analysis and evaluation tool, it is not possible to evaluate under Gender concept, but in building capacities include men and women personnel.

6. Other donors supporting this program and any links with GOM agencies

USFWS is funding the Project "Bird habitat conservation and management in the El Triunfo Biosphere Reserve, Chiapas, Mexico" CONANP, through the Migratory Bird Act. Same institutions with the exception of La Encrucijada Biosphere Reserve are implementing both projects.

Starbucks Coffee Company provide funds to the coffee conservation Program, this one is being implemented in collaboration with researchers of an academic institution (The Southern Border College "ECOSUR") and El Triunfo Biosphere Reserve' staff.

7. Contribution of principal partners to the highlights and achievements.

At this moment, the partners institutions are collaborating with consensus and enthusiasm, although is a new experience for all, it is not always easy to reach the goals on time. The different partners look at the opportunity for establish a information exchange systems and consolidate the expertise in the region.

IV. National Enabling Environment for Mexico (NEEM)

1. Introduction.

National Enabling Environment for Mexico, NEEM project (“Cultivo de Condiciones Favorables para el Ambiente en Mexico”, Spanish name) will support activities for Mexican Basins for five years 2004 – 2008.

The challenge in Mexico is to put in place enabling strategies and actions, which are developed in collaboration with Mexican governmental and other agencies/actors, and are appropriate/operative in the context of the selected sites

This project main objective is to implement national level activities to improve management and conservation of natural resources in targeted watersheds.

Main Goals

Identify and support issues related to USAID site based activities

Identify and support national issues to promote conservation and economic development in areas of high biodiversity.

Promote watershed management as an integrative theme that supports conservation and natural resource management.

Provide technical assistance and training to GoM agencies, particularly to help implement management plans at sites of high biodiversity

Core Working Group (CWG)

This national Core Working Group will be comprised of the following:

- USAID Mexico
- The Nature Conservancy -TNC
- WWF
- CI
- Fondo Mexicano para la Conservacion de la Naturaleza (FMCN)
- Secretaria del Medio Ambiente y Recursos Naturales - SEMARNAT.
- Pronatura Mexico

2. Enabling activities to be supported under this initiative

- Building capacity on human resources dedicated to the conservation of natural resources in Mexico.
- Monitoring System for the Natural resources of Mexico.
- Payment of environmental hydrological systems in Mexico.

Objectives of the 2004 Work Plans

- Designing a program to build capacities among conservationists on watershed management including environmental services, fire beginning in three priority watersheds (Chiapas coastal and Coatzacoalcos-Uxpanapa and Zapaliname, Coahuila)

- Design a monitoring system to manage watersheds including environmental services, fire beginning in three priority watersheds.
- Obtain the technical bases to develop key actions to conservationist organizations to support public policy on regulations of programs for payment of environmental services.

3. Highlights of the year

- Creation of national core working group
- Identification of Strategic lines of work
- Strategic Support and capacity building activities
- Projects under different consultants responsibility by defining TORs and signing agreements.

Watersheds supported in 2004

- Papaloapan (Veracruz y Oaxaca)
- Coatzacoalcos-Uxpanapan (Veracruz y Oaxaca)
- Costa de Oaxaca
- Costa de Chiapas (El Triunfo, La Sepultura y La Encrucijada)
- Cuenca del Usumacinta (Chiapas y Tabasco comprendiendo la Selva Lacandona y Pantanos de Centla)
- Costa del Sureste de Quintana Roo y Norte de la Sierra Madre Occidental (Chihuahua y Durango)

4. Progress by meetings of the core group

From October 1, 2003 to September 30, 2004, the group was allowed to have the following meetings:

Rules for the work council was elaborated, this is to work in timely and proper manner. **Annex 24**

1ª Reunion del Consejo Consultivo -	Octubre, 2003 -	Oficinas de TNC
2ª Reunion del Consejo Consultivo -	11, Diciembre, 2003-	Rancho SD, Ixtapan de la Sal, Edo. De Mexico. Annex 19
3ª Reunion del Consejo Consultivo -	11, Febrero, 2004-	Oficinas de Pronatura. Annex 20
4ª Reunion del Consejo Consultivo -	11, Marzo, 2004-	Oficinas de Pronatura. Annex 21
5ª Reunion del Consejo Consultivo-	13, Mayo, 2004-	Oficinas de Pronatura. Annex 22
6ª Reunion del Consejo Consultivo-	10, Junio, 2004-	Oficinas de Pronatura.
7ª Reunion del Consejo Consultivo-	22, Julio, 2004-	Oficinas de Pronatura
8ª Reunion del Consejo Consultivo-	30, Sept., 2004-	Oficinas de Pronatura. Annex 23

Durante la reunion del 11 de Febrero, 2003, se elabora un propuesta de calendario para elaboracion de TORs, revision de los mismos, apertura de convocatoria, invitaciones a participar en convocatorias, fecha de cierre de recepcion de propuestas, evaluacion de propuestas, recomendaciones al FMCN. A continuacion se indican fechas para estas actividades:

- Miercoles 14 de abril: fecha limite para el envio de los TR afinados por las “parejas”;

- Viernes 16 de abril: fecha limite para enviar comentarios a los TR afinados y definicion de las organizaciones que se van a invitar por cada tema (con datos precisos de localizacion: direccion, telefono, email y persona contacto);
- Viernes 23 de abril: FMCN adapta los TR en presentacion formal para envio a las organizaciones identificadas (seran convocatorias para proyectos a ONG's con deducibilidad debido a la restriccion del uso de los recursos para impuestos);
- Lunes 26 a viernes 30 de abril: FMCN envia las convocatorias a las ONG's propuestas;
- Jueves 13 de mayo: revision de la propuesta de sub convenio con ONG's; reunion en Pronatura.
- Viernes 21 de mayo: fecha de cierre de recepcion de propuestas, revision y registro por el FMCN
- Martes 24 de mayo: Envio de propuestas revisadas, criterios de evaluacion y formatos para el registro de calificaciones a "parejas" de trabajo.
- Miercoles 26 al viernes 28 de mayo: calificacion de propuestas, elaboracion de recomendaciones y envio al FMCN;
- Martes 2 de junio: FMCN envia tabla de concentrados y recomendaciones a los miembros del Consejo Consultivo con los criterios y puntaje obtenidos en las evaluaciones;
- (entre) Lunes 7 a viernes 11 de junio: reunion del Consejo Consultivo para revision final y asignacion de proyectos
- Lunes 14 de junio a viernes 25 de junio: comunicados de asignacion, evaluacion predesembolso (*) y firma de convenios con organizaciones seleccionadas;
- Lunes 28 de junio: inicio de los trabajos.

Administrative matters are addressed in **Annex 25**, since there are several organizations involved and FMCN is the leader of it. So, this annex is just an updating of the activities and requirements addressed.

5. Environmental compliance

This initiative is a cross cutting key theme in all support and activities from the strengthening and establishment of training opportunities of conservation professionals to defining common indicators for monitoring success in the watershed conservation programs. No negative impacts on the environment are expected on this work.

6. Gender compliance

Gender issues can be included in the development of activities and decisions taken by the core group, which is integrated by men and women; and the projects on capacity building and monitoring also includes equal participation.

The work team of men and women could analyze results of the activities under this initiative.

7. Other donors that support the program

Organizations which form the core team participates with the grants of different sources, CI is receiving a grant of The Peter J. Sharp Foundation, which is contributing to the development of activities in Northern Mesoamerica.

V. Attachments

1. List of Appendixes

1. Basic digital coverage edited of the hydrological database for the Usumacinta basin at a scale of 1:250,000.
2. Usumacinta Basin Maps (Rivers, sub watersheds, forestry coverage, population, etc.).
3. Radio Spots aired with the topics: forest fire prevention; alternatives to burning; and environmental damage caused by burning. Each spot was recorded in Spanish and in two Mayan languages: Tseltal and Tsotsil.

2. List of Annexes

1. Support to CONFOR with geographical databases of the Lacandon region.
2. Work meetings of the Monitoring Team (CI-Pronatura) for the Usumacinta Basin. Spanish
3. Proposal of a work plan by the consultant (Erik Salas, Ph. D.). Methodological design and conceptual framework for the Usumacinta Basin plan. Spanish
4. Presentation of Usumacinta Plan to CCAD (Water negotiations Mexico-Guatemala), Tapachula, Chiapas. September, 2004. Spanish
5. Memory of the meeting of Coastal and shared watersheds between Mexico and Guatemala, Tapachula, Chiapas. September, 2004. Spanish
6. Draft of Regulations of Chiapas Information System between organizations. Spanish
- 7.A. Preliminary report about the invasion Lacandon Region status. Spanish
- 7.B. General report of CONANP regarding actions taken to re cover land invaded and activities to be done. Spanish
8. Report on the over fly to verify invasions into northern Montes Azules Biosphere Reserve. September, 2004. Spanish.
9. 2004 Forest fires annual report on the Usumacinta Basin. Spanish
10. Final technical report of Na Bolom, A.C. **4.8, 4.9** and **4.10** activities "Capacity building to create quality handcrafts with Lacandon community". Usumacinta Basin. Spanish
11. List of Bibliography collected about cultivation, commercialization and other important topics regarding Pita (Magdalenae spp.) and xate (Chamaedorea spp). (Documents are attached on electronic version due that they are very heavy). Usumacinta Basin. Spanish.
12. Agreement and follow up between CI and WWF Oaxaca on planning and development of activities. Chimalapas watersheds. Spanish.
13. Invitation meeting C-Pronatura-IDESMAC-CONANP. Coastal Watersheds of Chiapas. Spanish.
14. Agreements and conclusions about meeting of August 17, 2004. CONANP-CI-IDESMAC-PRONATURA. Coastal Watersheds of Chiapas. Spanish.
15. Site level context Assessment for Chiapas Coast". Coastal Watersheds of Chiapas. Spanish.
16. List of information compiled of Coastal watersheds of Chiapas for platform information Coastal watersheds of Chiapas. Spanish
17. A. Characterization of 4water bodies in El Triunfo biosphere reserve. Coastal watersheds of Chiapas. Spanish.
- 17.B. Water quality assessment on Naranjo River El Triunfo biosphere reserve. Coastal watersheds of Chiapas. Spanish

- 17.C. Presentation on 4 water bodies characterization in El Triunfo biosphere reserve. Coastal watersheds of Chiapas. Spanish
18. List of documents regarding water monitoring and conservation topics. Coastal watersheds of Chiapas. Spanish
19. NEEM. 2nd Meeting memory December, 2003. Spanish
20. NEEM. 3rd Meeting memory February, 2004. Spanish
21. NEEM. 4th Meeting memory, March, 2004. Spanish
22. NEEM. 5th Meeting memory May, 2004. Spanish
23. NEEM. 8 Meeting memory. September,2004. Spanish
24. NEEM. Core team rules (Council). Spanish
25. NEEM. Administrative Matters Year1. Spanish